

### State of Utah

# Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

August 26, 2005

Lon Thomas American Stone, Inc. 4040 South 300 West Salt Lake City, Utah 84107

Subject: Second Notice - Delinquent Permit Fees - Further Mining is Suspended

Dear Mr. Thomas:

The Division has not received the annual permit fee payment(s) for the 2005 fiscal year, which were due on or before July 29, 2005 (see R647-2-101.6, R647-3-1-1.7, and R647-4-101.5). Non-payment of permit fees is a violation of the Minerals Regulatory Program and suspends an operator's authorization to conduct exploration or mining operations. YOUR AUTHORIZATION TO CONDUCT EXPLORATION OR MINING ACTIVITIES IS SUSPENDED, UNTIL THIS BILLING REQUIREMENT IS RESOLVED. Permit fees are required until the site has been fully released in writing by the Division.

We have enclosed a "Delinquency Notice" billing statement along with this letter. Please return the bottom portion of your billing statement to ensure the payment is posted to the correct account. Operations may resume upon our receipt of the required fees. If you have already sent in your payment, please accept our thanks and disregard this notice.

The Division will allow you until September 9, 2005 to pay the delinquent permit fees before issuing a Notice of Violation for non-payment, which will carry a fine and penalty. Continuing mining activities before the fee is paid will result in a Cessation Order which carries a separate fine and penalty. Please be advised that fines and penalties are assessed for each separate violation.

We hope to avoid taking any enforcement action regarding the fee payments. Please: 1) submit your payment by September 9, 2005; 2) check the box, if the site is fully reclaimed and revegetated, thereby requesting a site inspection to close the file; or 3) contact me immediately at (801) 538-5358 or Joelle Burns at (801) 538-5291.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

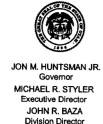
RHaddock

SMW:jb

Enclosure: Delinquency Notice

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## Late of Utah

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

AMERICAN STONE, INC 4040 SOUTH 300 WEST SALT LAKE CITY UT 84107

ATTENTION: LON THOMAS, OWNER

# PROJECT NAMEPROJECT ID<br/>M450031ACRES<br/>12BILLING DATE<br/>06/28/2005PERMIT TYPEPROJECT STATUS<br/>ACRESACRES<br/>12BILLING DATE<br/>06/28/2005LARGE MINING OPERATION < 50 ACRES</td>PROJECT STATUS<br/>ACTIVEANNUAL FEE<br/>\$ 150

DUE DATE	AMOUNT DUE	
09/09/2005	\$ 150	

### Please see enclosed instructions for payment.

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

ACCOUNT BILLED	PROJECT NAME	PROJECT NAME	
AMERICAN STONE, INC	ARAGONITE MINE		M450031
DUE DATE ANNUAL FEE AMOUNT DUE	FEE NOT ENCLOSED	Change of Add	ress
09/09/2005 \$ 150 \$ 150 TAX ID OR SOCIAL SECURITY #	Permittee requests an inspection to close out this permit.	Contact  Address	
DIVISION OF OIL GAS AND MIN 1594 WEST NORTH TEMPLE SU	<del>-</del>	E-mail address	
PO BOX 145801 SALT LAKE CITY UT 84114-58		State Zip Phone	

Please make check payable to:
Division of Oil, Gas and Mining